

DRAFT

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

ENERGY DIVISION

**Agenda ID 12675
RESOLUTION E-4630
February 05, 2014**

R E S O L U T I O N

RESOLUTION E-4630: Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), and San Diego Gas and Electric Company (SDG&E) (together, Joint Utilities) submit for approval by the Commission a new Electric Rule 24,¹ titled “Direct Participation Demand Response,” and related documents, in compliance with Ordering Paragraph 35 of Decision (D.) 12-11-025.

PROPOSED OUTCOME: This Resolution approves, with modifications, the Joint Utilities’ proposed new Electric Rule 24,² Direct Participation Demand Response tariff and related documents, and implements additional changes consistent with D.12-11-025 and D.13-12-029.

SAFETY CONSIDERATIONS: The new Electric Rule 24 will allow demand response (DR) resources from the utilities’ bundled load to be bid into the California Independent System Operator (CAISO) energy market. DR can reduce the need for conventional generation resources that produce environmentally hazardous pollutants. Integration of DR into the CAISO energy market will enhance its role in grid and system reliability, which maintains public safety.

ESTIMATED COST: No new funding requested.

By PG&E Advice Letter (AL) 4298-E (U39-E), SCE AL 2949-E (U338-E), and SDG&E AL 2526-E (U902-E); filed on October 10, 2013.

¹ SDG&E will title it Electric Rule 32.

² Id.

SUMMARY

This Resolution addresses the proposed new Electric Rule 24,³ titled “Direct Participation Demand Response,” and related documents (Demand Response (DR) Provider Service Agreement, DR Provider Registration Application Form, Customer Information Service Request Form (CISR-DRP), and Standard Customer Notification Form Letter). The new Electric Rule 24 tariff and related documents were proposed in a Tier 3 Advice Letter (AL) 4298-E filed by Pacific Gas and Electric Company (PG&E), AL 2949-E filed by Southern California Edison Company (SCE), and AL 2526-E filed by San Diego Gas and Electric Company (SDG&E) (together, Joint Utilities AL 4298-E et al).

In addition, this Resolution implements the changes ordered in Decision (D.) 13-12-029, which addressed four petitions to modify D.12-11-025 that were filed on August 9, 2013.

This Resolution approves, with modifications, the Joint Utilities AL 4298-E et al., and the Joint Utilities’ proposed Electric Rule 24 tariff and related documents, which are listed in Appendix A and redlined in Appendix B of this Resolution.

BACKGROUND

On December 4, 2012, the Commission issued D.12-11-025, which adopted policies for the development and refinement of Electric Rule 24, Direct Participation Demand Response and related documents. Pursuant D.12-11-025, the Joint Utilities submitted a redlined version of the proposed Electric Rule 24 and the related documents on February 4, 2013. The Joint Parties served comments on the Joint Utilities’ proposal on March 6, 2013.

Pursuant to D.12-11-025, Energy Division staff held two workshops on June 24, 2013 and July 12, 2013 to facilitate discussions on the Joint Utilities’ proposals. Parties identified a number of issues that required modification of D.12-11-025. On August 9, 2013, parties filed four petitions to modify D.12-11-015 by: 1) The Joint Utilities, Joint Parties, Comverge, Inc., Johnson Controls, Inc., and Office of Ratepayer Advocates (ORA), 2) PG&E, 3) The Joint Parties, and 4) EnerNOC, Inc. (petitions).

³ Id.

After the filing of the petitions, the interested stakeholders⁴ and Energy Division staff continued to collaborate and address the remaining issues that were not subject to the petitions.⁵

On October 10, 2013, the Joint Utilities filed Tier 3 AL 4298-E et al., which requested Commission approval of the proposed new Electric Rule 24 tariff and forms. The A.L. filing was submitted to comply with Ordering Paragraph (OP) 35 of D.12-11-025, which states:

Pacific Gas and Electric Company San Diego Gas & Electric Company, and Southern California Edison Company must work with the stakeholders [of Phase IV of Rulemaking (R.) 07-01-041] to finalize an agreed-upon proposed Electric Rule 24 with an enforcement mechanism and submit it, along with the Service Agreement, Registration Form, Customer Information Service Request form and standard customer notification letter, via a Tier Three Advice Letter no later than 90 days following the workshops.

AL 4298-E et al. includes the following documents:

- Attachment 1:
 - Electric Rule No. 24 Tariff;⁶ and
 - Electric Sample Form 79-1152⁷ – Form CISR-DRP
- Attachment 2:
 - DR Provider Service Agreement; and
 - Attachment A – Metering and Meter Reading Services
- Attachment 3: DR Provider Registration Application Form
- Attachment 4: Customer Notification Form Letter for Non-Utility DR Providers Serving Residential and Small Commercial Customers

⁴ The Joint Utilities, Joint Parties, Converge, Office of Ratepayer Advocates, and Olivine, Inc.

⁵ Through email exchanges and conference calls on September 20, 26, 27, & 30, and October 1 & 2, 2013.

⁶ SDG&E will title it Electric Rule 32.

⁷ PG&E's.

NOTICE

The Joint Utilities stated that a copy of AL 4298-E et al. was mailed and distributed in accordance with Section 4 of General Order 96-B and to parties on the service list for R.07-01-041.

PROTESTS

EnerNoc, Inc., the Alliance for Retail Energy Markets, and Direct Access Customer Coalition to Utility (together, Joint Parties) filed a protest to the Joint Utilities' AL 4298-E et al. on October 31, 2013. The Joint Utilities responded to the Joint Parties' protest on November 6, 2013.

SUMMARY OF PROTEST

The Joint Parties state that AL 4298-E et al. represents a largely successful outcome of the collaborative efforts by the interested stakeholders⁸ and Energy Division staff. Nevertheless, the Joint Parties propose some additional changes to the Joint Utilities' proposed Rule 24 tariff and forms attached to AL 4298-E et al. The Joint Parties assert that these changes are needed to ensure full compliance with D.12-11-025 and the Proposed Decision on the petitions to modify D.12-11-025⁹. The Joint Parties' proposed changes are follows:

Rule 24 Tariffs:

- Correction to Section A, Applicability, to make the language consistent with the Proposed Decision on PG&E's petition to modify Ordering Paragraph 8 of D.12-11-025, which is related to dual participation prohibition. The Joint Parties added similar language to Section C.2.d, Dual Participation.
- Corrections to Section D, Access to Customer Data, to clarify the obligations of the Utility consistent with the Proposed Decision on the petitions.
- Addition to Section F.2, Meter Data Management Agent (MDMA) Services Performed by Utility, to include liability language consistent with the

⁸ The Joint Utilities, Joint Parties, Office of Ratepayer Advocates, and Olivine, Inc.

⁹ The referenced Proposed Decision was adopted by the Commission on December 5, 2013 (D.13-12-029).

Proposed Decision on the Joint Parties' petition to modify Ordering Paragraph 12 of D.12-11-025.

- Additions to Section F.4, Metering Services, Telemetry, to clarify that the utility may install such devices.
- Change to Section H.1, Non-Utility DRP Credit Requirements Required by Utility, to specify the type of bond required.

Form CISR-DRP:

- Clarifications to Sections C, E and F

DRP Service Agreement:

- Clarifications noted in the attachment

DRP Registration Form:

- Clarifications to sections 7, 9 and the Notice Paragraph

SUMMARY OF JOINT UTILITIES' RESPONSE

The Joint Utilities oppose most of the Joint Parties' proposed changes to Rule 24 tariff and Form CISR-DRP. Specifically, the Joint Utilities disagree with the Joint Parties' recommended changes in:

- 1) Sections D.1.a, b (2), d, and F.4 of the proposed Rule 24 tariff;
- 2) Section C of Form CISR-DRP.

The Joint Utilities argue that the Joint Parties' requests were onerous, unnecessary, or redundant. In addition, the Joint Utilities disagree with the change of the word, "relevant" to "significant" in the DR Provider Service Agreement, Section 3.

The Joint Utilities declined to respond to the changes in Sections A, C, & F2 pending the Commission's final decision on the pending petitions and reserve their rights to propose modifications following the issuance of the final decision.

The Joint Utilities support certain minor changes proposed by the Joint Parties, specifically to Section D.1.b.(2) of Rule 24 and Section 4.4 of the DR Provider Service Agreement.

DISCUSSION

This Resolution organizes the issues related to AL 4298-E et al. into three areas: 1) protested issues, 2) non-protested, additional changes ordered in D.13-12-029, and 3) miscellaneous modifications.

1. Protested Issues

1.1 Changes Related to the Petitions to Modify D.12-11-025

The Joint Parties' recommend several changes to AL 4298-E et al. to be consistent with the Proposed Decision addressing the petitions to modify D.12-11-025. The Joint Utilities state that the issues related to the petitions are pending on the Commission final decision and reserve their rights to submit revisions to AL 4298-E et al. following the Commission's issuance of a final decision.

Subsequently, the Commission issued a Final Decision (D.13-12-029) addressing the petitions to modify D.12-11-025 on December 10, 2013. Ordering Paragraph 12 of D.13-12-029 directs the Energy Division staff to implement the ordered changes to Rule 24 in this Resolution. This Resolution adopts only the proposed changes by the Joint Parties' that are consistent with the orders in D.13-12-029 and modifies other proposed changes accordingly.

Because these changes bring the proposed Rule 24 into compliance with prior Commission order, it is not necessary to describe the specific changes here. All changes described in this section of the Resolution are in Rule 24, Sections A, C.2.d, C.2.g, and F2 and can be found in Appendix B with references to the relevant Ordering Paragraphs in D.13-12-029.

1.2 Changes in Compliance with D.12-11-025 and Clarifications to the Joint Utilities' Proposed Rule 24 & Related Documents

1.2.1 Request for the "Earliest Termination Date without Penalties"

The Joint Parties propose deleting the language, “{Utility} may also elect to provide information, as available, on” in Rule 24, Section D.1.b.(2):

- b. When a Form CISR-DRP is received, [Utility] shall also transmit the following data, defined as Confidential Information in the DRP Service Agreement (Form X), to the Third-Party DRP:
 - (1) Confidential end-user information such as the customer’s service voltage, the sub-Load Aggregation Point (sub-LAP) and Pricing node (Pnode), the identity and contact information of the customer’s LSE, MDMA and MSP, and any event-based utility DR program(s) in which the customer is enrolled.
 - (2) ~~{Utility} may also elect to provide information, as it is available, on the earliest date(s) on which the customer’s commitment to the utility event-based DR program(s) can be terminated by the customer without penalty and the customer’s meter read dates for its billing cycle.~~

A similar change is proposed by the Joint Parties by adding an additional sentence in Form CISR-DRP, Section F:

F. OTHER DATA BEING RELEASED:

Additionally, I understand that PG&E will provide other information to the Third Party as appropriate under Rule 24 for the Third Party to use my load to bid into the CAISO market, including without limitation, service account, service voltage, the meter number and type, location of the service account on the CAISO grid (including sub LAP and pNode), and the identity of my ~~m~~Meter Data Management Agent, Meter Service Provider, and Load Serving Entity. **The date upon which customer is eligible to be released without penalty from a current DR service obligation with the utility.**

The Joint Utilities argue that this change would mandate the utilities to “provide the earliest date(s) on which the customer’s commitment to the utility event-based DR [demand response] program(s) can be terminated by the customer without penalty’... Such requirement is “outside of the parameters of D.12-11-025 and is onerous, confusing, unnecessary, and in some cases, the data would be impossible to provide.”¹⁰

D.12-11-025 clearly set a policy that prohibits dual participation of customers in utilities’ event-based demand response (DR) programs and DR Services. Therefore, a customer must disenroll from the current utilities’ DR program(s) or DR Service before enrolling with another DR Provider. There may be utility DR programs, now or in the future, that contain financial consequences from the contractual or program obligations for customers who disenroll, depending on the timing of that action.

¹⁰ Joint Utilities’ Reply dated November 6, 2013 at 2.

Both the new DR Provider and customer would need to be well informed of the financial consequences, if any, of disenrolling from a utility DR program. Not having this information could deter customer participation and could create potential barriers for customers' direct participation in demand response.

We recognize the technical complexities of providing such information because the utilities currently have a portfolio of event-based DR programs with different tariff conditions. However, we disagree with the Joint Utilities' argument that the information is unnecessary. On the contrary, we find that this information is crucial to customer enrollment and participation in new DR Services.

Customers enrolled in the utilities' DR programs may be aware of their commitments and potential consequences for not filling those commitments. However, the Joint Utilities' argument that DR Providers should obtain such information directly from customers without involving the utilities¹¹ is unreasonable. In fact, D.13-12-029 acknowledges that customers defaulted onto Critical Peak Pricing may not be aware that they are enrolled in the program.¹² As responsible administrators of DR programs, the utilities are and should be knowledgeable about the terms and conditions of those programs and customer enrollment status in those programs¹³.

There are ways to solve the technical complexities. Each utility has only a few event-based DR programs for each customer class.¹⁴ At minimum, it is reasonable to require the utilities to indicate in Form CISR-DRP which utilities' event-based DR program(s) that customer is currently enrolled in, including the program tariff schedule title¹⁵ and the most current enrollment date.¹⁶

¹¹ Id. at 2.

¹² D.12-11-029 at 10.

¹³ There are some exceptions, such as Capacity Bidding Program and the aggregator managed contracts, where the specific terms and conditions for disenrollment are between the customer and the aggregator.

¹⁴ For example, residential customers can participate in three DR programs: 1) air conditioning cycling (AC cycling), 2) Peak Time Rebate (SCE & SDG&E), 3) voluntary Critical Peak Pricing. Large customer can participate in the Base Interruptible Program.

¹⁵ For example, PG&E's E-RSAC, E-BIP, E-DBP, etc. The customer or new DR Provider could conveniently look up other program obligations.

Additionally, if applicable and available, the utilities shall also provide the date(s) that the customer is eligible to leave the program without any financial and/or other tariff implications such as (but are not limited to), losing the bill protection or incentive payments, return of incentives received, and/or penalties. The utilities should also indicate if the information is not available to the utilities, e.g., customer's enrollment or eligible disenrollment date(s) for the Aggregator Managed Program (AMP) or Capacity Bidding Program (CBP).

Under the utilities' current rules, customers are eligible to leave Critical Peak Pricing as earlier as their next meter read date.¹⁷ Therefore, the customer's next meter read date(s) is very crucial for the DR Provider's proper resource registration of customers currently enrolled in Critical Peak Pricing without violation of the dual participation rules.

The Joint Utilities suggest providing a one or two-digit cycle number (or letter) via Form CISR-DRP for the DR Providers to determine the customer's meter read date.¹⁸ The utilities publish on their websites the monthly meter reading schedules matching customers' cycle number. Although receiving the cycle number will require DR Providers to go to the utilities' website to find the monthly meter read dates¹⁹, we consider it this a workable solution.

Thus, we find that it is reasonable to require the utilities to provide the customer's cycle number via Form CISR-DRP, and links to the meter reading schedules on the utilities' websites in Rule 24.

In sum, we adopt the Joint Parties' request with modifications consistent with the above discussion. Our determination affects Rule 24, Section D.1.b.(2) and Form CISR-DRP, Section F.

1.2.2 Proposed Addition Regarding the Commission's Privacy Rules

¹⁶ The customer may have enrolled in a DR program for many years with an annual renewal or opt out date. The utilities should provide the most recent renewal date or next opt out date.

¹⁷ Subject to the Critical Peak Pricing provisions, e.g., the customer may lose bill protection.

¹⁸ Joint Parties' Reply at p. 3.

¹⁹ Based on the utilities' meter reading schedules.

The Joint Parties propose to insert the words, “*if applicable*” to Rule 24, Section D.1.a, rule related to the Commission’s privacy requirements:

- a. The inquiring party must have customer authorization using Form CISR-DRP before a customer’s personally identifiable information can be released. The information, upon such authorization, will be released only to the inquiring party, unless otherwise authorized by the customer, as part of the Form CISR-DRP process. The inquiring party as the recipient of this data agrees to abide by the applicable Commission customer privacy requirements, **if applicable**. For the purposes of this program, the Form CISR-DRP shall permit the customer to authorize the following:

- (1) Customer Account information, including service address and rate schedule.

The Joint Utilities oppose the Joint Parties’ proposed insertion arguing that it is unnecessary and redundant. We agree with the Joint Utilities since the word “*applicable*” already exists in the beginning of the sentence. The Joint Parties’ request to insert “*if applicable*” to Rule 24, Section D.1.a is rejected.

1.2.3 Notification when Customer Revokes the DR Provider’s Data Access

The Joint Parties request to add to Rule 24, Section D.1.d a requirement for utility notification to the DR Provider when a customer revokes data access.

- d. Durations by which the non-Utility DRP may continue to receive access to a customer’s information shall be specified by the customer in the CISR-DRP. The customer may choose from the following options: (1) indefinite data release until otherwise canceled by the customer, (2) release of data until a date certain, (3) authorization for non-Utility DRP to terminate data release upon DRP DR Service cancellation. (Subject to Joint Utility PFM) If the customer makes no election, Utility will assume that customer authorization is for an indefinite period of time per CPUC Resolution E-4599). Under option (3), it is the non-Utility DRP’s responsibility to notify {Utility} to terminate a non-Utility DRP’s access to the customer’s data. Upon receipt of the notice of termination from the non-Utility DRP or the revocation of data access authorization from the customer, {Utility} will cease to provide the customer on-going interval usage data to the non-Utility DRP. However, the non-Utility DRP may continue to receive previously generated data that pertains to the period of time during which customer authorization was valid. This information will assist the non-Utility DRP in settling invoices with the CAISO related to customer service accounts during the time that they were active in DR Services. **{Utility} will provide non-utility DRP notice when customer revokes data access, per D.13-09-025.**

The Joint Utilities oppose the Joint Parties’ request, arguing that D.13-09-025, which the Joint Parties rely on as the basis for the proposed change, does not mandate third party notification of customer data access revocation and the utilities should not bear the burden of expense to notify the third party.²⁰

²⁰ Id. at 4.

We agree with the Joint Parties. Ordering Paragraph 19 of D.13-09-025 explicitly requires third party notification of customer revocation of data access:

- The tariffs shall provide that when a customer requests that the utility discontinue providing data to a third party, that the utility immediately terminate the third party's automated access to the data of the customer who revoked the authorization, and *provide the third party with notice of the customer's revocation*.²¹ [Emphasis added]

Therefore, we adopt the Joint Parties' proposed changes to Rule 24, Section D.1.d with a minor modification²². Additionally, we add the same language to the DR Service Agreement, Section 4.5.

1.2.4 Requirement of Utility Installation of Telemetry Solutions

The Joint Parties propose adding the word "*install*" to Rule 24, Section F4, which addresses the California Independent System Operator's (CAISO's) telemetry requirements. The Joint Parties' proposed change would expand the utilities' responsibility to not only assist third party DR Providers with CAISO telemetry requirements, but to also install the telemetry:

4. Telemetry

If a telemeter is required or communication facilities for sending telemeter information are required to participate in a DRP's program, the telemetering services and communication must conform to the CAISO's telemetry technical requirements. The DRP is solely responsible for providing a communication solution or telemetry solution subject to CAISO requirements at the expense of the DRP. To the extent that {Utility} has the expertise and technical resources to **install or** assist with the **installation of the** required telemetry solution or communication solution, {Utility} will **install or** assist the DRP to facilitate the **installation of the** telemetry solution, at the DRP's expense.

While the Joint Utilities contest that there is no requirement for the utilities to install telemetry solutions for third parties, they argue that the rule should reflect that the utility may have the discretion to install, rather than be a requirement. They suggest replacing the word "will" with "may" in the affected sentence.

²¹ D.13-09-25 at 78.

²² The modification clarifies that when a customer provides pre-authorization to revoke data access upon the DR Service disenrollment, the non-utility must also notify the utilities to terminate the data access.

We agree with the Joint Utilities that there is no requirement that the utilities install telemetry solutions for third party demand response providers but can be done so at the utilities' discretion. The word 'will' should be replaced with 'may' in the affected sentence.

The Joint Parties also add the words "installation of the" to the affected section to add further clarity. We find this insertion to be reasonable and approve it.

1.2.5 Clarification for Form CISR-DRP, Section C

The Joint Parties propose adding a clarification to Form CISR-DRP, Section C indicating no charges will be assessed for customer data access through the utilities' automated data exchange platforms:

- C. By checking one or both of the boxes below, and when PG&E is the Meter Data Management Agent for the service accounts specified, I (Customer) authorize the *ongoing* release of my electric meter interval data to the Third-Party DRP for the period of time specified in Section D.
- ☐ Release ongoing monthly electric meter interval data to the Third-Party DRP for the period specified in Section D below.
- ☐ (PG&E Only) Access to next day electric meter interval data, as it is available, to the Third-Party DRP for the period specified in Section D below.

*The customer or its Third-Party DRP may be responsible for charges, authorized by the California Public Utilities Commission, which may be incurred to process the ongoing release of monthly data, **except that no charges will be assessed for data that is accessed utilizing the OpenADE platform per Commission Decision 13-09-025.***

The Joint Utilities argue that the clarification is unnecessary because this rule will be articulated in the utilities' rules governing the platforms. Additionally the Joint Utilities argue that if they later elect to leverage the platform to provide additional types of data, there must be a Commission determination that that data access will be free of charge.

We agree with the Joint Utilities that existing language in the form already indicates that any charges for the data transmittal would be authorized by the Commission, e.g., at no charge. The Joint Parties' proposal for Section C of Form CISR-DRP is rejected.

1.2.6 Clarification for DR Provider Service Agreement, Section 3

The Joint Parties propose to replace the word, “*relevant*” with “*significant*” in the DR Provider Service Agreement, Section 3, Term of Service. The Joint Parties ask that the termination of the agreement will be exercised when “significant” modification to Rule 24 occur:

Section 3: Term of Service

The term of this Agreement shall commence on the last date of execution by both Parties hereto (the “Effective Date”) and shall terminate on the earlier of (a) the date the DRP informs the Utility it is no longer operating as a DRP for the Utility’s customers; (b) upon termination pursuant to Section 5 hereof; (c) the effective date of a new DRP Service Agreement between the Parties hereto, or (d) upon ~~relevant~~**significant** modification of Rule 24. Notwithstanding the Effective Date of this Agreement, the DRP acknowledges it may only offer Demand Response Service to customers effective on or after the CPUC-approved date for commencement of such services by DRPs, and only after it has fulfilled the provisions of Rule 24, Section E.1 and E.3 (CPUC requirements for DRPs enrolling Bundled Service customers).

The Joint Utilities argue that the standard of “significant” will be difficult to enforce and undermines the idea that only changes relevant to the service agreement would apply in this rule.

There might be a situation that the Commission makes minor changes to Rule 24, which could be relevant but may not materially impact the parties and require the termination of the DR Provider Service Agreement. To address concerns of both sides, we will add a clarification at the end of the sentence so it reads, “(d) upon relevant modification of Rule 24 **that materially affects this Agreement.**”

2. Other Changes Ordered in D.13-12-029

As discussed above, Ordering Paragraph 12 of D.13-12-029 directs the Energy Division staff to implement the decision’s ordered changes to Rule 24 in this Resolution. The Joint Parties propose some of the related changes in their protest, which were discussed in the Section 1.1. This section addresses additional changes ordered in D.13-12-029, which are not included in the Joint Parties’ protest.

2.1 Enforcement Mechanism²³

²³ Rule 24 tariff, Section I.2: Suspension or Revocation of Non-Utility DRP’s Registration at the CPUC.

Ordering Paragraph 9 of D.13-12-029 revises Ordering Paragraph 31 of D.12-11-025, which eliminates the California Solar Initiatives (CSI) handbook procedure as the basis for an enforcement mechanism.²⁴ No parties opposed this modification and it is reflected in AL 4298-E. The Joint Utilities propose general language stating that the Commission's "enforcement authority shall include, but is not limited to, suspension or revocation of non-Utility DRP [DR Provider] registration, and/or penalties or fines after appropriate due process considerations..."²⁵

Because of the direct bidding of retail customer's load into the CAISO's wholesale energy market, a new DR Service that is subject to Rule 24, DR Providers will have new relationships with customers. After further consultation with the Commission's Legal, Safety and Enforcement, and Energy Divisions; and Consumer Affairs Branch, we find the Joint Utilities' proposed enforcement does not provide sufficient guidance for various parties regarding actions that could result in revocation or suspension of the DR Provider's registration and/or penalties or fines. Rule 24 should include specific but not exhaustive examples of detected infractions, which would guide the DRPs in their compliance with Commission policies and rules as well as the Commission's considerations on suspending or revoking a non-Utility DR Provider's registration at the Commission. Therefore, we modify the above Joint Utilities' proposed language in Section I.2²⁶ as seen here:

2. Suspension or Revocation of Non-Utility DRP's Registration at the CPUC

Pursuant to the Commission's authority provided by California Public Utilities Code, Sections 451, and 701, and through 702, the CPUC's enforcement authority includes; but is not limited to, suspension or revocation of non-Utility DRP registration and imposition of penalties and/or fines after appropriate due process. The CPUC's Consumer Affairs Branch (CAB) shall process, and report to the Commission all informal consumer complaints against non-Utility DRPs on a quarterly basis.

If CAB staff determines, after consultation with Energy Division staff and facilitating mediation between a retail customer complainant and a non-Utility

²⁴ D.12-11-025 originally required that utilities develop an enforcement mechanism similar to that in place for a California Solar Initiative.

²⁵ In Attachment 1, Rule 24 tariff, Section I.2.

²⁶ The examples of grounds for revocation or suspension is based on the Joint Utilities' redlined Rule 24 filed on February 4, 2013 with some modifications consistent with both decisions and the approved modifications to the final Electric Rule 24 in this Resolution.

DRP, that a resolution cannot be reached, the complaint may be escalated to the CPUC's Safety and Enforcement Division (SED). SED may consider taking appropriate enforcement action, including proposing for Commission consideration the suspension and/or revocation of the non-Utility DRP's registration, and fines and/or penalties. SED will notify the non-Utility DRP, the CAISO, the relevant LSEs, and the UDC of such pending adverse action. The non-Utility DRP that is the subject of the SED action may respond to such action consistent with the procedures provided in the Commission's Rules of Practice and Procedure.

This process does not exclude alternative means of investigation of complaints regarding non-Utility DRPs as provided by the CPUC's Rules of Practice and Procedure. Information regarding formal and informal complaint processes is available through the CPUC's Public Advisor's Office or at www.cpuc.ca.gov.

Grounds for potential suspension or revocation of non-Utility DRP's registration and/or penalties include, but are not limited to:

- a. Slamming – Enrolling Bundled Service customer(s) without lawful consent(s);
- b. Forgery of Rule 24 forms and other required documents;
- c. Use of deceptive or unclear advertisements or terms and conditions in contracts;
- d. Improper registration for servicing residential and small commercial customers (see Demand Response Provider Registration Application Form);
- e. Failure in notifying customers when servicing residential and small commercial customers (see Section C.7);
- f. Failure in notifying {Utility} and other impacted entities of a customer discontinuation of DR Services (see Section G.3);
- g. Violation of dual participation rules (see Section C.2.d)
- h. Non-payment of {Utility} fees or credit/performance bond lapse. (see Sections E.1 and H).
- i. Unauthorized data transfer of customer specific data to others (see Section D.1.d);
- j. Invalid DR Provider service agreement with {Utility} and the CAISO (see Section E);
- k. Failure to fulfill the mutually agreed terms and conditions, e.g., non-payment to the enrolled customers for services rendered (See Customer Notification Form Letter).
- l. Provision of faulty or misleading equipment/data to the customer by the DRP to the detriment of the customer.

Energy Division, Consumer Affairs Branch, and Safety and Enforcement Division staff will continue to collaborate and develop further details for the Rule 24 consumer complaint resolution and enforcement processes or protocols.

2.2 Customer Notification Form Letter

Ordering Paragraph 3 of D.13-12-029 clarifies the policy on dual participation and allows customer automatic disenrollment from Critical Peak Pricing upon the confirmed registration in the CAISO DR System by a new DR Provider. The decision also requires the DR Provider of the new service to notify the customer prior to the resource registration in the CAISO DR System through the customer notification letter when serving residential and small commercial customers.

We modify the proposed Customer Notification Form Letter and the attachment accordingly.

3. Miscellaneous Modifications

We make additional minor modifications to the Rule 24 tariff and forms to improve consistency with the prior Rule 24 decisions and the flow of the tariff. For example in Rule 24, Section A, we add a reference to the dual participation rules. Throughout Rule 24 and the related documents, we replace the words “un-enroll” with “disenroll” and “un-enrollment” with “disenrollment” consistent with D.13-12-029.

Appendix A identifies all of the sections of Rule 24 tariff and forms that are modified in this Resolution. All changes that stem from D.13-12-029 are identified in that Appendix.

The actual text modifications to Rule 24 and forms are shown in redline in Appendix B.

COMMENTS

Public Utilities Code section 311(g)(1) provides that this Resolution must be served on all parties and subject to at least 30 days public review and comment prior to a vote of the Commission. Section 311(g)(2) provides that this 30-day period may be reduced or waived upon the stipulation of all parties in the proceeding.

The 30-day comment period for the draft of this Resolution was neither waived nor reduced. Accordingly, this Draft Resolution was mailed to parties for comments on December 30, 2013, and was placed on the Commission's agenda on February 05, 2014. Comments were due on January 22, 2014. Reply

comments were due on January 27, 2014. Xxx filed comments and xxx filed reply comments.

FINDINGS AND CONCLUSIONS

1. Advice Letter 4298-E et al. was filed pursuant to direction in D.12-11-025 and the advice letter filings were timely protested by EnerNOC, Inc., Alliance for Retail Energy Markets, and Direct Access Customer Coalition (Joint Parties).
2. D.13-12-029 directs the Energy Division staff to implement the ordered changes to Rule 24 and its supporting forms in this Resolution.
3. The status of a customer's current enrollment with the utilities' event-based DR program(s) and the date that it is eligible to leave the program without any financial and tariff consequences due to the contractual and program obligations are crucial information to the customer and its prospective new DR Provider.
4. As responsible administrators of DR programs, the utilities are and should be knowledgeable about the terms and conditions of those programs and customer enrollment status in those programs.
5. It is reasonable to require the utilities indicate in the Customer Information Service Request Form (CISR-DRP) in which utilities' event-based DR program(s) that the customer is currently enrolled, including the program tariff schedule title and the most current enrollment date.
6. Additionally, if available, it is reasonable to require the utilities to provide the date(s) that the customer is eligible to leave the utilities' event-based program(s) without any contractual and program obligations.
7. A customer enrolled in Critical Peak Pricing is eligible to leave the program as early as its next meter read date.
8. It is reasonable for the utilities to provide a customer's cycle number for the DR Providers to find the customer's meter read date(s) on the meter schedules published on the utilities' websites.
9. D.13-09-025 requires the utilities to notify third parties when a customer revokes the data access.

10. There is no requirement that the utilities install telemetry solutions for third party DR providers, however, they may elect to do so.
11. Because of the direct bidding of retail customer's load into the CAISO's wholesale energy market, a new DR Service that is subject to Rule 24, DR Providers will have new relationships with customers.
12. The Joint Utilities' proposed enforcement mechanism does not provide sufficient guidance for various parties regarding actions that could result in revocation or suspension of the DR Provider's registration and/or penalties.
13. A list of specific but not exhaustive examples of detected infractions in Rule 24 would better inform potential affected entities of the Commission's expectations and examples of grounds for the revocation or suspension of a DR Provider registration.
14. Energy Division, Consumer Affairs Branch, and Safety and Enforcement Division staff will continue to collaborate and develop further details for the Rule 24 consumer complaint resolution and enforcement processes or protocols.

THEREFORE IT IS ORDERED THAT:

1. Pacific Gas and Electric Company (PG&E) Advice Letter (AL) 4298-E, Southern California Edison Company (SCE) AL 2949-E, and San Diego Gas and Electric Company (SDG&E) Advice Letter 2526-E are approved as modified here in and enumerated in Appendix B of this Resolution. Appendix A to this Resolution lists the modifications adopted in this Resolution.
2. Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), and San Diego Gas and Electric Company (SDG&E) shall submit a Tier 1 compliance advice letter filing within 10 days from the issuance of this Resolution. The filing shall include a final Electric Rule 24 tariff (Electric Rule 32 for SDG&E) and related documents (Demand Response Provider Service Agreement, Customer Information Service Request Form (CISR-DRP), Demand Response Provider Registration Application Form, and Customer Notification Form Letter). The final Rule 24 tariff and related documents listed above shall make no further modifications except for:
 - 1) deletion of references to the Ordering Paragraphs of D.13-12-029,

- 2) replacement of “{Utility}” with the appropriate utility name, and
- 3) grammatical and formatting changes (if any) appropriate for each utility’s tariff. The filing shall include a clean and a redlined version of the final Rule 24 tariff and related documents. The protest period for this filing shall be shortened to 10 days and replies shall be filed within five days of the end of the protest period.

This Resolution is effective today.

I certify that the foregoing resolution was duly introduced, passed and adopted at a conference of the Public Utilities Commission of the State of California held on February 05, 2014; the following Commissioners voting favorably thereon:

PAUL CLANON
Executive Director

APPENDIX A

List of Adopted Modifications

Sections	Subject	Protest Issues	Changes per D.13-12-029	Misc.
Rule 24 Tariff:				
A	Applicability - Dual Participation	x	OP ²⁷ 2 & 3	
C.1.a.(3)	Competitive Neutrality	x	OP 10	
C.1.c	Review of DRP Resource Registration		OP 2 & 3	
C.1.d	Customer Data Access		OP 6	
C.2.d	Dual Participation	x	Op 2 & 3	
C.2.h	Revenue Quality Meter Data	x	OP 4	
C.7	Definition of Small Commercial		OP 1 & OP 3	
D.1.a & b	Earliest Disenrollment Date	x		x
D.1.d	Notification of Customer Revocation of Data Access & DRP Termination	x	OP6	
F.2	MDMA Liability	x	OP 4	
F.4	Telemetry	x		
G.1 & G.3.e	Service Changes			x
H.1	Credit Requirement	x		
H.2	Security Deposits		OP 7 & 8	x
I.1	Dispute on Damage		FOF ²⁸ 22	
I.2	Enforcement Mechanism		OP 9	
Form CISR-DRP:				
A & B	Customer Meter Read Date		OP 3	
E	Release of Account Information	x		
F	Other Released Data	x		
G	Customer Authorization			x
Demand Response Provider Service Agreement:				
3	Term of Service	x		
4.1	Metering Services	x		
4.4	Data Access	x		
4.5	Notification of Customer Revocation of Data Access	x		x

²⁷ Ordering Paragraph.

²⁸ Findings of Fact.

APPENDIX A (Cont.)

Sections	Subject	Protest Issues	Changes per D.13-12-029	Misc.
Demand Response Provider Registration Application Form:				
7	Entity Description	x		
9	Estimated # of Residential & Small Commercial Customers	x		
	Notice	x		
Customer Notification Form Letter:				
Cover Letter			x	
Attachment			x	

APPENDIX B

Adopted Modifications to the Joint Utilities' Proposed Rule 24 Tariff and Related Documents in AL 4298-E et al.²⁹

Rule 24, Direct Participation Demand Response

A. APPLICABILITY

This Rule establishes the terms and conditions that apply to those entities, which are subject to this Rule, who wish to take part in Direct Participation Demand Response Service ("DR Service"). DR Service is offered by the California Independent System Operator (CAISO) and allows a Demand Response Provider's (DRP's) or a retail customer to participate or "bid-in" directly into the CAISO wholesale energy market for compensation by the CAISO, in accordance with the market awards and dispatch instructions established by the CAISO.

[Per D.13-12-029, OP 2 & 3:]

DRP DR Services under this Rule is subject to the dual participation rules. As a general rule, DRPs are prohibited from registering customer accounts that are already registered with another DRP or that are participating in a {Utility}'s event-based demand response program**(s). (See Section C.2.d for detailed rules)**

C. GENERAL TERMS (CONT'D.)

1. General Obligations of {Utility} (Cont'd.)

a. Non-Discrimination and Competitive Neutrality (Cont'd.)

(3) Competitive Neutrality

[Per D.13-12-029, OP 10:]

Confidential, competitive information received by {Utility} from unaffiliated DRPs, or from the CAISO about the DRPs or their customers, in connection with {Utility}'s performance of its duties to implement and administer the DRP's use of **bundled** utility load for ~~Rule 24~~ DR Services shall be limited to the utility staff who are responsible for performing the utility's non-DRP responsibilities under **this** Rule 24. Such confidential, competitive information shall not be used to promote the {Utility}'s services to its customers or customers of its affiliates.

{Utility} staff receiving such confidential, competitive information from the DRPs or the CAISO in the discharge of {utility}'s roles and responsibilities as a non-DRP shall not share such confidential, competitive information with other individuals in {utility} who are also responsible for discharging {utility}'s roles and responsibilities as a DRP under this Rule.

²⁹ In bold, strikethrough, and/or underlined. Parties can request the Word files of the full Electric Rule 24 and related documents, with the approved modification in tracked changes from the Energy Division Staff.

~~(C.3 Subject to PFM on Competitive Neutrality—IOU proposed language from Response of Pacific Gas and Electric Company to Petitions for Modification of Decision 12-11-025 filed by Enernoc, Inc., and by Enernoc, Inc., Alliance for Retail Energy Markets and Direct Access Customers Coalition, page 15.)~~

c. Review of DRP Resource Registrations in the CAISO's DR System

[D.13-12-029, OP 2 & 3:]

{Utility}, acting as an LSE, shall review all Resource Registrations (within its electric service territory) submitted by a DRP to the CAISO's Demand Response System (DRS) as defined in the CAISO tariff. {Utility}'s review shall be limited to ensure accuracy of the customer information presented and that the customer isn't otherwise participating in an ~~{utility}'s~~ event based demand response program **at the same time period** which it offers. {Utility} shall also review Resource Registrations for Entities not subject to ~~this~~ Rule-24 in the same manner contained in this subsection and on the same non-discriminatory basis.

{Utility} will conduct such review in accordance with the timelines set forth in the CAISO's Business Practice Manuals (BPMs). {Utility} shall notify the CAISO and the DRP within ten (10) business days if the customer information presented in the Resource Registration is inaccurate, if the DRP is not appropriately registered for DRP DR Services at the CPUC, and confirm that the customer **service** account **placed in the Resource Registration's** participation does not conflict with ~~the wholesale/retail dual participation rules in Section C.2.d.~~ If there are no objections to the resource registration, {Utility} shall include in its comments the date of the customer's next meter read, which would be the first date the customer would be eligible for DRP DR Service. To the extent reasonable and feasible, {Utility} and the DRP shall coordinate and cooperate to provide **ensure** an accurate Resource Registration.

~~(Paragraph above subject to PFM on OP 8)~~

d. Provision of Customer Data by {Utility}

[Per D.13-12-029, OP 20:]

In response to a completed, customer authorized submittal of {Utility}'s Form {XX-XXX} (CISR-DRP) by a customer or **non-utility** DRP, {Utility} shall in a timely fashion provide the required information to the DRP to facilitate a customer's enrollment in a DRP program **DR Service(s)**. This information will be provided in accordance with Section D of this Rule. The DRP or customer may also request the provision of continuous meter data or designate how continuous data release shall be terminated.

~~[Paragraph above subject to PFM on OP 20]~~

C. GENERAL TERMS (CONT'D.)

2. General Obligations of DRPs Enrolling Bundled Service Customers

d. Dual Participation

[Per D.13-12-029, OP 2 & 3:]

DRPs are prohibited from placing a customer's service account into a Resource Registration in the CAISO's Demand Response **(DR)** System (DRS) for any time period within the Start Date and End Date of another DRP's Resource Registration that already includes the customer's service account and that has been given a "Confirmed" status by the CAISO under its rules and procedures.

Non-utility DRPs are also prohibited from enrolling and registering a customer service account in DR Services if the customer is already enrolled in a {utility}'s event-based demand response program. The customer can disenroll from the program at any time if it withdraws to enroll in a DRP service.

When a DRP is notified by {Utility} via its CISR-DRP process that a customer is already enrolled in a {Utility}'s event-based DR program, it is the notified DRP's obligation to ensure that the customer has ~~un-~~**disenrolled** from {Utility}'s **DR event-based demand response** program before placing the customer **service** account in the notified DRP's Resource Registration in the CAISO's DR System for the same period. The ~~transition-effective~~ date to **disenroll** ~~move~~ that customer from its current program to DRP's DR Service will be established in accordance with {Utility}'s ~~DR~~ **demand response** program rules and its Electric Rule 12.

In the event of a conflict between **{utilities}'s** program specific requirements and **its Electric** Rule 12, the program's tariff requirements will apply.

For instance, a customer who is currently participating in a {Utility} event-based demand response program and wishes to enroll with a ~~third party in this Demand Response (DR) Service~~ **non-utility DRP DR Service** must first ~~un-~~**disenroll** from the {Utility} program. ~~Un-enrollment~~ **Disenrollment** will be subject to any contractual or program obligations currently in effect with the {Utility} ~~DR~~ **demand response** program.

Similarly, if a customer is currently registered at the CAISO for ~~DRP-DR Services~~, that customer must be ~~un-enrolled~~ **disenrolled** prior to that customer's participation in either another DRP's ~~resource~~ **Resource Registration** or a [Utility] event-based demand response program. does not prohibit **However**, a DRP **is not prohibited** from also enrolling **and registering its own** customers **for other DR Service(s) that it offers. It is the DRP's obligation to ensure the DRP's Resource Registrations do not conflict with the CAISO rules on DR Services.** ~~who are in its own event-based demand response program(s) in Direct Participation and using its own event-based demand response program(s) to participate in Direct Participation~~

Customers enrolled in {utility}'s {Critical Peak Pricing} will be automatically disenrolled from the program upon a non-utility DRP Resource Registration that includes the customer service account and that has been given a "Confirmed" status by the CAISO. Under {utility}'s Electric Rule 12, the earliest disenrollment date for {Critical Peak Pricing} is the the customer's next meter read date. Therefore, the Start Date of a non-utility DRP

Resource Registration for the customer service account that is enrolled in {Critical Peak Pricing} should be on the next or future meter read date.

{Utility} shall provide {one or two-digit} meter read cycle {number or letter} to the non-utility DRP vis Form {XX-XXX} (CISR-DRP) as also described in Section D.1.a. It is the DRPs' obligation to use the cycle number and match it for the customer service account's next or future meter read date(s) from {utility}'s meter reading schedules. {Utility}'s meter reading schedules can be found in <http://www.pge.com/myhome/customerservice/smartmeter/analogmeters/schedule/>.

If a customer is a residential or small commercial customer, non-utility DRPs shall notify the customer prior to the Resource Registration in the CAISO DR System through the Customer Notification Form Letter required in Section C.7, that the customer will be disenrolled from {Critical Peak Pricing} and may lose bill protection, if applicable.

~~(Two paragraphs above are subject to pending PFMs on OP 7 and OP 8)~~

When {Utility} is acting as a DRP, it is obligated to ensure that the customer has ~~un-enroll~~**disenrolled** from another non-Utility DRP's DR Service before enrolling the customer in its own event-based program.

- h. Utilizing the MDMA for Settlement Quality Meter Data

[Per D.13-12-029, OP 4:]

The MDMA shall **be responsible and liable to send timely and accurate** individual customer RQMD to the DRP, or its **designated** agent, who shall convert this data to **Settlement Quality Meter Data (SQMD)** and send it to the ~~its~~**Scheduling Coordinator (SC)**.

~~(Subject to PFMs on OP 12, MDMA's responsibility to provide SQMD to DRP SC and on financial responsibility for penalties from CAISO)~~

For Direct Access customers, DRPs may contract with the MDMA chosen by the customer (or the customer's LSE) for submitting ~~Settlement Quality Meter Data~~ (SQMD) to the DRP's SC.

7. Formal Notification for Residential and Small Commercial Customers

[Per D.13-12-029, OP 1:]

Residential customers are defined as {Utility} customers who are eligible for service under one of its residential rate schedules. Small Commercial customers are defined as **any non-residential** customers with a maximum billing **peak** demand of **less than 20 kilowatt (kW)**. ~~{Pending PFM decision on OP6}~~ Non-Utility DRPs intending to enroll Residential and Small Commercial customers in DR Services at the CAISO are required to meet additional CPUC requirements before submitting such customer **service** accounts for ~~r~~**Resource r**Registration at the CAISO **DR System**. These DRPs must obtain approval from the CPUC's Energy Division for a Customer Notification Form Letter (**Form Letter**), in hard copy or electronic form, -to be provided to each customer explaining the DRP's terms and

conditions of participating in the DRP's DR Service. [Per D.13-12-029, OP 3:] If the customer is enrolled in {utility}'s {Critical Peak Pricing}, the Form Letter shall also provide the esimated disenrollment date from {Critical Peak Pricing} and that the customer may lose bill protection, if applicable. The disenrollment date shall be on the customer's next or future meter read date (see Section C.2.d)

The non-Utility DRP must ~~provide such standard letter~~ provide the Form Letter to the customer before placing its service account in a DRP's Resource Registration in the CAISO DR System. The Form Letter shall provide any grace period in which the customer can cancel the DR Service enrollment without any charges or penalties. ~~the customer agrees to participate in the DRP DR Service.~~

D. ACCESS TO CUSTOMER DATA

~~(Section D subject to PFM of OP 19.)~~

1. Access to Customer Usage Data – Release of Information to non-Utility DRPs

{Utility} will provide confidential customer-specific information and usage data for a bundled, DA, CA or CCA service customer to parties specified by that customer, subject to {Rule 27 ~~or~~ 25 for SCE}, and the following provisions:

- a. The inquiring party must have customer authorization using Form CISR-DRP before a customer's personally identifiable information can be released. The information, upon such authorization, will be released only to the inquiring party, unless otherwise authorized by the customer, as part of the Form CISR-DRP process. The inquiring party as the recipient of this data agrees to abide by the applicable Commission customer privacy requirements. For the purposes of this program, the Form CISR-DRP shall permit the customer to authorize the following:
 - (1) Customer Account information, including service address and rate schedule.
 - (2) Up to 1 year worth of historical interval data, as it is available..
 - (3) Unique Customer Identifier to track customer **service account** in CAISO **DR Systems**. This information will be provided to the customer's **Load Serving Entity (LSE)** too if different from the {Utility}.
 - (4) Customer Account information, including service address and rate schedule.

D. ACCESS TO CUSTOMER DATA (CONT'D.)

1. Access to Customer Usage Data – Release of Information to non-Utility DRPs (Cont'd)

a. (Cont'd)

- (4) Customer **{one or two-digit} meter read cycle {number or letter}** ~~Meter Read Date~~ for purposes of verifying Meter Read Date and date to begin DR Service.

The customer may also elect to authorize the release of the following information to the non-Utility DRP via the Form CISR-DRP:

- (5) Ongoing monthly interval usage data
- (6) A maximum of the most recent twelve (12) months of customer billing data or the amount of data recorded for that specific service account.

- b. When a CISR-DRP is received, ~~{Utility}~~ shall also transmit the following data, defined as Confidential Information in the DRP Service Agreement (Form X), to the ~~Third Party~~ **non-utility** DRP:
- (1) Confidential end-user information such as ~~the~~ customer's service voltage, the sub-Load Aggregation Point (sub-LAP) and Pricing node (Pnode), the identity and contact information of ~~the~~ customer's LSE, MDMA and MSP, ~~and~~
 - (2) Any ~~{utility}'s~~ event-based utility DR **demand response** program(s) in which the customer is enrolled **including the tariff schedule title; e.g., {PG&E}'s Schedule E-19 (default {Peak Day Pricing}), E-RSAC, or E-BIP, the most recent enrollment date, and the next renewal date, if applicable. If customer is enrolled in {Utility}'s {Critical Peak Pricing}, {Utility} shall also provide customer's next meter read date.**

~~{Utility} shall may also elect to provide information, as it is available, on the earliest eligible date(s) on which the customer's commitment to the utility event-based DR program(s) can leave its current program without any contractual or program obligations under the terms and conditions of the tariff that may result in financial or tariff implications such as but are not limited to, losing bill protection or incentive payments, return of received incentives, and/or penalties. {Utility} shall indicate type(s) of financial or tariff implications and if the above information is not available.~~ be terminated by the customer without penalty and the customer's meter read dates for its billing cycle.

~~{Sections C.1 a and b above subject to PFMs on OPs 19 and 20}~~

D. ACCESS TO CUSTOMER DATA (CONT'D.)

1. Access to Customer Usage Data – Release of Information to non-Utility DRPs (Cont'd)

- d. Durations by which the non-Utility DRP may continue to receive access to a customer's information shall be specified by the customer in the CISR-DRP. The customer may choose from the following options: (1) indefinite data release until otherwise canceled by the customer, (2) release of data until a date certain, **[Per D.13-12-029 OP 6:]** (3) authorization for non-Utility DRP to terminate data release upon DRP DR Service cancellation. ~~(Subject to Joint Utility PFM)~~ If the customer makes no election, Utility will assume that customer authorization is for an indefinite period of time ~~(per CPUC Resolution E-4599).~~

Under Option (1) {Utility} shall provide non-utility DRP immediate notice when the customer revokes its authorization for the on-going data access, per D.13-09-025.

Under ~~Option~~ (3), it is the non-Utility DRP's responsibility to notify {Utility} to terminate ~~a the~~ non-Utility DRP's access to the customer's data. Upon receipt of the notice of termination from the non-Utility DRP or the revocation of data access authorization from the customer, {Utility} will cease to provide the customer on-going interval usage data to the non-Utility DRP. –However, the non-Utility DRP may continue to receive previously generated data that pertains to the period of time during which customer authorization was valid. This information will assist the non-Utility DRP in settling invoices with the CAISO related to customer service accounts during the time that they were active in DR Services.

F. METERING SERVICES (CONT'D)

2. MDMA Services ~~P~~performed by {Utility}

[Per D.13-12-029, OP 4:]

{Utility} shall perform all MDMA services required for DRP DR Service for Bundled Service customers, Community Choice Aggregation Service customers-. Also, Utility shall perform MDMA services for those Direct Access service customers that have elected {Utility} to be its MDMA.

MDMA obligations include but are not limited to the following:

- a. Meters for each of the DRP's customers shall be read and converted into RQMD and transferred to the DRP **or its designated agent** pursuant to applicable standards.
- b. {Utility} shall provide the DRPs (or their designated agents) with reasonable and timely access to meter data as required to allow the proper performance of billing, settlement, scheduling, forecasting and other functions;
- c. The LSE and DRP shall have access to individual customer RQMD via an electronic interface (e.g., MDMA server)
- d. {Utility} ~~will~~ **shall** provide RQMD customer data to the DRP in accordance with standards adopted in the DASMMMD **or other standards in compliance with the CAISO's applicable requirement**, for the DRP's **or its agent's** consolidation into SQMD for the CAISO. **{Utility} shall be liable for providing timely and accurate Revenue Quality Meter Data (RQMD) to the non-utility DRPs or its designated agent to facilitate final meter data submission in accordance with the CAISO's tariff for DR Services. If the MDMA is found, through the CPUC's remedy and dispute process, to have failed such responsibilities as to be the sole fault for the ability of the DRP or its agent to comply fully with the applicable CAISO requirements, the MDMA shall be held liable, limited to the penalties imposed by the CAISO upon the non-Utility DRP or its Scheduling Coordinator (SC) due to the non-compliance.** ~~Such DASMMMD requirements include providing 99% of all usage must be submitted to the DRP within 5 calendar days of the scheduled meter read date. (Subject to Consensus PFM on OP 12)~~

4. Telemetry

If a telemeter is required or communication facilities for sending telemeter information are required to participate in a DRP's program, the telemetering services and communication must conform to the CAISO's telemetry technical requirements. The DRP is solely responsible for providing a communication solution or telemetry solution subject to CAISO requirements at the expense of the DRP. To the extent that {Utility} has the expertise and technical resources to **install or** assist with **installation of** the required telemetry solution or communication solution, {Utility} ~~will~~ **may install or** assist the DRP to facilitate **the installation of** the telemetry solution, at the DRP's expense.

G. DISCONTINUATION OF SERVICE BY DRP

1. Service Changes at the Individual Customer Level

The DRP may elect to discontinue providing DRP DR Service to its customers, or the customer may elect to ~~un-enroll~~ **disenroll** from the program pursuant to any

agreement between the DRP and its customers. Should customer terminate electric service with [Utility], the customer is responsible for terminating its arrangement with the DRP directly. For customers who change their LSE, the DRP is responsible for effectuating necessary changes in the CAISO's DRS.

3. Discontinuation of DRP DR Service by the DRP

- e. In the event a non-Utility DRP has been authorized to terminate deliveries of a customer's metering data streams upon the customer's ~~un-enroll~~**disenrollment** in its DRP DR Service program, the non-Utility DRP is required to notify {Utility} to stop transmission of data, consistent with customers instructions to the DRP.

~~(Subject to Consensus PFM on OP 21)~~

H. NON-UTILITY DRP CREDIT REQUIREMENTS REQUIRED BY {Utility}

1. {Utility} may require the non-Utility DRP enrolling Bundled Service customers to establish and maintain its creditworthiness through evaluations, deposits, or other security in the manner described in Section H.2, to the extent the CPUC approves the ability for {Utility} to levy charges for services rendered as a result of DR activities. That is, the creditworthiness only applies to charges that are billed by {Utility} directly to the non-Utility DRP. The method of determining the amount of credit that a DRP would need to submit in order to initiate services within a utility's service territory shall be equal to two times the estimated or actual monthly CPUC-approved fees for DRP DR Service, as described herein and as verified by [Utility]. The non-Utility DRP will be obliged to provide the CPUC with a separate **performance** bond as part of its registration process for Residential and Small Commercial customers.
2. The non-Utility DRP may establish its creditworthiness with {Utility} through any one of the following (Cont'd.):
 - b. Security Deposits

[Per D.13-12-029, OP 7 & 8:]

The non-Utility DRP may submit and maintain a security deposit in lieu of submitting to or being qualified under a creditworthiness evaluation. The amount of the security deposit required to establish credit will be twice the estimated maximum monthly bill that {Utility} may expect to remit to the non-Utility DRP for participating in one month of Demand Response Activities, where such estimate is based on the last twelve (12) months of historical activity. The initial value of the security deposit will be two times the monthly fees assessed by {Utility} upon the DRP. Security deposits may be in the form of (1) cash deposits, with interest earned at the 3-month Non-Financial commercial paper rate, (2) letters of credit, defined as irrevocable and renewable issued by a major financial institution rated A/A2 by S&P/Moody's, respectively, (3) surety bonds, defined as renewable and issued by a major insurance company rated A/A2/A by S&P/Moody's/A.M. Best, respectively, or (4) guarantees, with guarantors having a credit rating of Baa2 or higher from Moody's or BBB or higher from Standard and Poor's, or Fitch unless {Utility} determines that a material change in the guarantor's creditworthiness has occurred, or, in other cases, through the credit evaluation process described above. Security deposits must be posted with the {Utility} prior to the DRP's participation in DRP DR Service.

~~(Subject to PFM on OP 28 and 29)~~

I. COMPLIANT AND DISPUTE RESOLUTION PROCESSES

1. Disputes Involving Entities Subject to this Rule

[Per D.13-12-029, FOF 23:]

Disputes arising under this Rule or Schedule XX [Fees Schedule] shall be resolved in accordance with the CPUC's complaint procedures, Article 4 of the Commission's Rules of Practice and Procedure. Parties may choose to seek resolution through the Alternate Dispute Resolution Processes available through the Commission. The Commission shall resolve complaints regarding customer account eligibility, whether brought by the DRP, {Utility} or the customer, expeditiously. **However, entities seeking damages related to this Rule must do so in court.**

(Subject to PFM on OP 31)

2. Suspension or Revocation of Non-Utility DRP's Registration at the CPUC

[Per D.13-12-029, OP 9:]

Pursuant to the Commission's authority provided by California Public Utilities Code, Sections 451, and 701, and through 702, the CPUC's enforcement authority includes; but is not limited to, suspension or revocation of non-Utility DRP registration and imposition of penalties and/or fines after appropriate due process. The CPUC's Consumer Affairs Branch (CAB) shall process, and report to the Commission all informal consumer complaints against non-Utility DRPs on a quarterly basis.

If CAB staff determines, after consultation with Energy Division staff and facilitating mediation between a retail customer complainant and a non-Utility DRP, that a resolution cannot be reached, the complaint may be escalated to the CPUC's Safety and Enforcement Division (SED). SED may consider taking appropriate enforcement action, including proposing for Commission consideration the suspension and/or revocation of the non-Utility DRP's registration, and fines and/or penalties. SED will notify the non-Utility DRP, the CAISO, the relevant LSEs, and the UDC of such pending adverse action. The non-Utility DRP that is the subject of the SED action may respond to such action consistent with the procedures provided in the Commission's Rules of Practice and Procedure.

This process does not exclude alternative means of investigation of complaints regarding non-Utility DRPs as provided by the CPUC's Rules of Practice and Procedure. Information regarding formal and informal complaint processes is available through the CPUC's Public Advisor's Office or at www.cpuc.ca.gov.

Grounds for potential suspension or revocation of non-Utility DRP's registration and/or penalties include, but are not limited to:

Grounds for suspension or revocation of authority to represent retail customers and/or penalties include, but are not limited to:

- a. **Slamming – Enrolling Bundled Service customer(s) without lawful consent(s);**
- b. **Forgery of Rule 24 forms and other required documents;**
- c. **Use of deceptive or unclear advertisements or terms and conditions in contracts;**
- d. **Improper registration for servicing residential and small commercial customers (see Demand Response Provider Registration Application Form);**
- e. **Failure in notifying customers when servicing residential and small commercial customers (see Section C.7);**
- f. **Failure in notifying {Utility} and other impacted entities of a customer discontinuation of DR Services (see Section G.3);**
- g. **Violation of dual participation rules (see Section C.2.d)**
- h. **Non-payment of {Utility} fees or credit/performance bond lapse. (see Sections E.1 and H).**
- i. **Unauthorized data transfer of customer specific data to others (see Section D.1.d);**
- j. **Invalid DR Provider service agreement with {Utility} and the CAISO (see Section E);**
- k. **Failure to fulfill the mutually agreed terms and conditions, e.g., non-payment to the enrolled customers for services rendered (See Customer Notification Form Letter);**
- l. **Provision of faulty or misleading equipment/data to the customer by the DRP to the detriment of the customer.**

APPENDIX B (Cont.)

Customer Information Service Request Form (CISR-DRP)

A. This authorization provides authority to the Third-Party DRP (and to a limited degree specified below, your Load Serving Entity (LSE)), to request and receive electricity usage data for the account(s) specified above. Requests for information may include the following information, as it is available:

- 1) Customer Account information, including service address and rate schedule,
- 2) Up to 1 year of historical electric meter interval data,
- 3) Unique identifier number ~~for direct participation~~ to track service account in the CAISO **Demand Response** Systems **for its DR Services** (to be provided to your LSE),
- 4) Customer's **one digit meter read cycle letter and the next** Meter Read Date (for purposes of verifying eligibility date to begin DR Service).

B. By checking the box(es) below, I further authorize the Third-Party DRP to receive the following information about the account(s) listed above:

- ☐ PG&E demand response program(s) in which the service account(s) are currently enrolled. **Tariff Schedule title for the program(s), e.g., PG&E's Schedule E-19 (default Peak Day Pricing), E-RSAC, or E-BIP. The most recent enrollment or renewal date, and the next renewal date, if applicable.**

E. RELEASE OF ACCOUNT INFORMATION:

I (Customer) authorize PG&E ~~will to~~ provide the information requested above, to the extent available, via any one of the following methods. The preferred format is (check all that apply):

- ☐ Hard copy via US Mail (if applicable): _____
- ☐ Facsimile at this telephone number: _____
- ☐ Secured **(not defined)** email, or electronic format via a secured data transmission platform.

F. OTHER DATA BEING RELEASED:

Additionally, I **(Customer) authorize** ~~understand that~~ PG&E ~~will to~~ provide other information to the Third Party **DRP** as appropriate under Rule 24 for the Third Party **DRP** to use my load to bid into the CAISO market, including without limitation, service account, service voltage, the meter number and type, location of the service account on the CAISO grid (including sub LAP and pNode), and the identity of my meter Data Management Agent, Meter Service Provider, and Load Serving Entity.

I request PG&E to provide information, as it is available, on the earliest eligible date(s) on which I can leave my current PG&E program without any contractual or program obligations under the terms and conditions of the tariff that may result in financial or tariff implications such as but are not limited to, losing bill protection or incentive payments, return of received incentives, and/or penalties. PG&E will indicate type(s) of financial or tariff implications and whether the above information is not available.

- G. This agreement at all times shall be subject to such modifications as the California Public Utilities Commission may direct from time to time in the exercise of its jurisdiction.

**CUSTOMER AUTHORIZATION TO ALLOW THIRD-PARTY DRP TO REVOKE
AUTHORIZATION AND TO STOP PROVISION OF DATA**

I (Customer) _____, declare under penalty of perjury under the laws of the State of California that I am authorized to execute this authorization on behalf of the Customer of Record listed at the top of this form and that I have authority to financially bind the Customer of Record. I hereby authorize the Third-Party DRP to revoke my authorization to release information to the Third-Party DRP upon my ~~un-~~disenrollment from the Third-Party DRP's service using the section below. The Customer's revocation of the Authorization to release information to the Third-Party DRP also will revoke the authorization to allow the Third-Party DRP to revoke authorization. I hereby release, hold harmless and indemnify PG&E from any liability, claims, demands, causes of action, damages or expenses resulting from: (1) any negligent conduct relating to the revocation; (2) any refusal to release information to the Third-Party DRP pursuant to the revocation; and (3) for any conduct by the Third Party DRP in connection with its revocation.

AUTHORIZATION OF REVOCATION BY THIRD PARTY DEMAND RESPONSE PROVIDER

I, _____ (name of Third Party), understand that the customer whose name appears in the immediately preceding Section above, has asked _____ (name of Third-Party DRP) to notify PG&E of the customer's ~~un-~~disenrollment in _____'s (name of Third Party) program in order to effectuate the customer's revocation of authorization to receive the customer's data.

I _____ (name of Third-Party DRP), hereby notify PG&E of the date of the customer's actual or anticipated ~~un-~~disenrollment in my Third-Party DRP services. I hereby release, hold harmless, and indemnify PG&E from any liability, claims, demands, causes of action, damages, or expenses resulting from my failure to timely notify PG&E of the customer's ~~un-~~disenrollment from, _____'s (name of third Party) demand response service.

Date of Customer's Actual or Anticipated ~~Un-~~Disenrollment: _____

APPENDIX B (Cont.)

Demand Response Provider Service Agreement

Section 3: Term of Service

The term of this Agreement shall commence on the last date of execution by both Parties hereto (the "Effective Date") and shall terminate on the earlier of (a) the date the DRP informs the Utility it is no longer operating as a DRP for the Utility's customers; (b) upon termination pursuant to Section 5 hereof; (c) the effective date of a new DRP Service Agreement between the Parties hereto, or (d) upon relevant modification of Rule 24 **that materially affects this Agreement.** Notwithstanding the Effective Date of this Agreement, the DRP acknowledges it may only offer Demand Response Service to customers effective on or after the CPUC-approved date for commencement of such services by DRPs, and only after it has fulfilled the provisions of Rule 24, Section E.1 and E.3 (CPUC requirements for DRPs enrolling Bundled Service customers).

Section 4: Billing, Metering, Payment, Other Duties

4.1 Metering services that are available to the DRP shall be as described in Utility's Electric Rule 24, **Section F.**

4.4 DRP may request access from the Utility to customer-specific electric energy usage data subject to obtaining customer authorization and consistent with Commission precedents and orders governing customer data access, **as described in Utility's Electric Rule {24 or 32 for SDG&E}, Section D.** Customer data may also be obtained through Data Pulse Equipment installed by the Utility provided the DRP has obtained customer consent for such utilization and provided that acquisition of data and such utilization does not interfere with Utility's metering equipment. DRP will be responsible for installation costs. Upon mutual agreement of the parties, customers may authorize DRP access to data using electronic means. As soon as reasonably practical, electronic authorization of third-party data access should supersede paper forms.

4.5. To the extent a customer indicates on the Form CISR-DRP that it authorizes its DRP to notify the Utility of the customer's ~~un-~~disenrollment from Demand Response Service pursuant to the relevant checkbox on the Form CISR-DRP, the DRP must effectuate the customer's wishes by notifying the Utility immediately so that the Utility can terminate transmission of the specified data to the DRP. The DRP releases, holds harmless and indemnifies the Utility from any liability, claims, demands, causes of action, damages or expenses resulting from any failure to timely notify the Utility of the customer's ~~un-~~disenrollment. **The Utility shall also provide the DRP immediate notice when the customer revokes its authorization for the data access, per D.13-09-025.**

APPENDIX B (Cont.)

Demand Response Provider Registration Application Form

ρ Government Entity	ρ Other
<p>Complete and mail this application along with \$xxx100.00 certified check (to: State of California Public Utilities Commission Energy Division - DRP Registration 505 Van Ness Avenue San Francisco, CA 94102</p>	<p>FOR CPUC USE ONLY</p> <p>Application Processed</p> <p>By: _____</p> <p>Date: _____</p>
<p>INCOMPLETE APPLICATIONS CANNOT BE PROCESSED</p>	

- If registrant has listed type of ownership as "government entity" provide a brief description of the government entity, and list the names and titles of the personnel responsible for providing DRP DR Services ~~managing the sale of electricity to~~ residential and small commercial customers. (Attach additional page if necessary)
- Estimated number of Residential and Small Commercial Customers that you plan to provide DRP DR services to serve, if any.

NOTICE

Each DRP registered with the California Public Utilities Commission (CPUC) should be familiar with all the laws and decisions pertaining to the offering of demand response services to customers in California. This notice mentions some of the provisions that the DRP must abide by.

For DRPs providing DRP DR Services to ~~serving~~ residential and small commercial customers, to be issued a DRP Registration number, you are required to provide the CPUC with a cash (cashier's check) security deposit in the minimum amount specified by the CPUC's DRP Bond Formula contained in Electric Rule 24 or post a performance bond in favor of the CPUC in that amount. This deposit must be received by the CPUC before your DRP registration will be considered complete. The deposit or performance ~~financial guarantee~~ bond shall be delivered to the Energy Division address listed on the first page of this form. In the alternative, the DRP may elect to open a customer trust account in a format approved by the CPUC's General Counsel. Pending such an approval, the DRP must post the cash deposit or the performance bond. This deposit requirement is subject to change.

Prior to registering the customer in CAISO, ~~signing up and initiating a~~ **DRP providing DRP**
~~DRdemand-response s~~**Services** ~~on behalf of~~ any residential or Small Commercial Customer,
~~each registered DRP serving such customers~~ is required to provide the potential customer with
a written notice that describes the price, terms, and conditions of service. The notice shall
include all of the elements set forth in the CPUC's direct participation consumer protection
decisions, D.**12-11-025 and D.13-12-029**~~xx-xxx~~.

APPENDIX B (Cont.)

Customer Notification Form Letter

FOR NON-UTILITY DEMAND RESPONSE PROVIDERS SERVING RESIDENTIAL AND SMALL COMMERCIAL CUSTOMERS

[For customers enrolled in the utilities' event-based demand response program(s):]

We would like to inform you that upon the enrollment in our {DR Service} as of [date], your utility will automatically disenroll your service account from {Critical Peak Pricing} and place it under an Otherwise Applicable Tariff (OAT). You should be aware that you may lose your bill protection under {Critical Peak Pricing}. Please contact your utility for more details on {Critical Peak Pricing} obligations and OAT provisions.

Attached please find additional customer information and a summary of CPUC rules on DR Services.

SUMMARY OF CPUC RULES ON DR SERVICES

The California Public Utilities Commission ("CPUC" or "Commission") adopted a set of rules, called **Electric Rule [24 or 32]**, applicable to all DRPs providing DR Services to utilities' Bundled Service customers, which can be found in your utility's website.³⁰ The following are some important highlights of Rule 24, and other applicable CPUC regulations:

DRP Registration

All non-utility DRPs must have a valid registration with the Commission and the California Independent System Operator (CAISO) prior to providing DR Service(s). Customers should confirm non-utility DRPs are properly registered and listed on the CPUC website, when considering the DR Services.³¹

Enrollment with Multiple DRPs or Utility DR Programs

The CPUC prohibits customer account registration with multiple DRPs at the CAISO for the same period or in DR Service with a non-utility DRP while simultaneously participating in a utility **demand response** DR program.³² You need to notify your DRP to dis-enroll you from your current DR Service or program prior to enrolling with another DRP for the same period. By enrolling in a DR Service with a non-utility DRP, you understand that you must dis-enroll from a utility demand response program. **Disenrollment from the DR Services or the utility**

³⁰ *[Insert website link to Rule 24 Tariff of appropriate IOU here OR link all three IOU Rule 24 Tariff]*

³¹ You may find registered non-utility DRPs on the CPUC website at: *[Insert link to CPUC registration website]*

³² Please check with your utility or its website for a complete list of the utility DR programs.

program will be subject to any contractual or program obligations currently in effect with your current DR Service or utility demand response program.

If you are currently on {Critical Peak Pricing}, you will be automatically disenrolled from the program upon the enrollment of DR Service and the DRP successfully registering your service account in the CAISO's system. Your utility will place your service account under a new applicable rate schedule, e.g., Time of Use rate. You may lose bill protection under {Critical Peak Pricing}, which may affect your utility bills. and will not be eligible to participate in that utility program or to receive certain protections associated with that program, such as bill protection, until you dis-enroll from DR Service with the non-utility DRP.

Meter Data Access

All non-utility DRPs must obtain customer approval in order to access your electric usage data and other personal information regarding your service account. Consent is provided through your utility's Customer Information Service (CISR-DRP) form, or other electronic means, if available. You may obtain the CISR-DRP form from your utility or non-utility DRP. The CISR-DRP form also allows you to revoke, at any time, any previously granted authorization, subject to any early termination provisions specified in your contract.

The CISR-DRP form provides you with options to authorize your DRP to access your data, including for a specified period of time or indefinitely, until revoked by you. **If you make no election, your utility will assume that your authorization is for an indefinite period of time (per CPUC Resolution E-4599). With your permission,** your DRP may also act as your agent to automatically revoke data transmittal on your behalf upon disenrollment from DR Service.

Customer Privacy

Once you authorize disclosure of your energy usage data and other personal information to a non-utility DRP, the non-utility DRP is required to maintain the privacy and security of that data, subject to the Commission's privacy policies, your utility is not. The Commission's privacy policies can be found **in Decisions (D.) 12-08-045 and 11-07-056** online at [~~CPUC website or Privacy Tariff~~] or by contacting your DRP.

The Public Advisor-CPUC
505 Van Ness Avenue
San Francisco, CA 94102
866-849-8390 (toll free)
415-703-2074
public.advisor@cpuc.ca.gov
www.cpuc.ca.gov/PUC/aboutus/Divisions/CSID/Public+Advisor/

For detailed instructions on the filing of an informal or formal complaint can be found on the CPUC's website:

<https://www.google.com/url?q=http://www.cpuc.ca.gov/NR/rdonlyres/43D7B57B-E8BA-4A04-B563-5F498548C536/0/ComplaintForm20121102.pdf>

USEFUL WEBSITES & CONTACT INFORMATION

California Public Utilities Commission

Consumer Affairs Branch Hotline

505 Van Ness Avenue
San Francisco, CA 94102

Call 800-649-7570 (toll free) or 415-703-4973

~~800-848-5580 (toll free)~~

www.cpuc.ca.gov

Energy Division

DRP Registration

~~[Insert specific Rule 24~~ ***Energy Division*** website info and Energy Division **staff** contact information **on *DRP registration***]